

## **MINUTES**

Meeting of May 10, 2007  
Kenneth Hahn Hall of Administration, Room 372  
500 West Temple Street, Los Angeles, CA 90012

**Commissioners Present:** Barry R. Binder Esq., Bob L. Blake, Glenn S. Brown J.D., William K. Callagy, Helene S. Lohr, LUTCF, Patricia Torres Esq., Scott J. Svonkin, Steve Vicencia, CPCU

**Commissioners Absent:** Michael G. Cheung, Daniel Falcon

### **CALL TO ORDER**

Noting a quorum was present, Chairman Svonkin called the meeting to order at 10:17 a.m.

### **APPROVAL OF MARCH 30, 2007 MEETING MINUTES**

On motion of Commissioner Binder, seconded by Commissioner Lohr and unanimously carried, the March 30, 2007 meeting minutes were approved.

### **CHAIRMAN'S REPORT**

Chairman Svonkin reported on the following updates:

- TRIA, et al., updates: received email from Rocky Armfield, LAC Risk Management, indicating that TRIA recommendations have been submitted to the Board of Supervisors requesting an extension with enhancements; this item is on the Board's meeting agenda of May 29, 2007;
- Litigation regarding vehicle collisions among County agencies: LAC Risk Managers continue their efforts to implement an amicable process to avoid costly litigation;

Chairman Svonkin commended the Commission for initiating efforts regarding this issue.

- Health care bills by Nunez, Kuehl and Parada; encouraged the Commission to join the CAO in tracking these bills;
- Terror and Earthquake disasters: efforts continue on bringing more attention to this issue.

Chairman Svonkin expressed his continuing concerns regarding this above issue.

It was agreed that presentations about "identity theft related to insurance records", as well as "what the insurance industry is doing to get providers in underserved areas", will be scheduled for discussion at a future meeting.

## **STAFF REPORT**

Lee Millen, Senior Staff, reported on the following:

- Tally on Sub-Committee Participation – a copy of current participation was circulated.

The Commission agreed that the following assignments and changes will be added to the existing roster:

- A) Business Insurance Availability Study Committee *change* to Insurance Availability in Underserved Areas;
- B) Chairman Svonkin *added on* as a member to the Anti-Terrorism & Natural Disaster & Emergency (formerly Natural Disaster Study Committee);
- C) Work Plan Committee to be *disbanded*;
- D) Diversity Committee to be *disbanded*  
(concepts included with Business Insurance Availability in Underserved Areas);
- E) Commissioner Vicencia *added on* as *Chairperson* with Commissioner Torres *removed* on the Uninsured Motorists – Proposition 213 on Low Income Los Angeles County;
- F) Child Health Care Insurance to be *disbanded*  
(concepts included with Health Care Insurance Task Force);
- G) Auto Insurance to be *disbanded*; and
- H) Commissioner Callagy *added on* as Chairperson on Workers' Compensation.

It was also agreed that Sub-Committees meet before/after the Commission's regular meeting, and Sub-Committees should meet at least once a year and have no more than four meetings annually.

- Board Letter regarding Sacramento visit;

Following discussion, the Commission directed staff to inquire regarding the use of *travel vouchers*. [Travel vouchers no longer purchased.]

- Commission meeting dates for 2007:

The Commission agreed to meet on July 24<sup>th</sup>, September 25<sup>th</sup> and November 27<sup>th</sup> at 10:00 a.m.

- Parking permits; all requests are filed;
- Invitation forwarded to Insurance Commissioner Steve Poizner's office;
- Correspondence forwarded to Insurance Commissioner Steve Poizner requesting review of alleged misrepresentation by New York based insurance company (copy on file);

- Invitations forwarded to the Los Angeles County Bar Association, CPA Association, California Association of Realtors, and the Travelers' Association (the CA Association of Realtors representative had a scheduling conflict, and the LAC Bar Association representative had nothing new to report); and e-mail updates are anticipated;
- County Counsel's response to the Commission's inquiry regarding subpoena powers – reference made to Government Code Section 25170-25176 (copy on file);
- Legislation/Other as it relates to Points of Interest (1-6) provided in hand outs/mailed material; and
- Internal sources contacted regarding existing investments in Sudan/Darfur –

Karly Katona, Deputy, Supervisor Burke's Office, addressed the Commission regarding a common interest on this above issue. Ms. Katona commended the Commission for their efforts and advised that Commissioners Blake and Brown met with her earlier this morning on the issue.

Following discussion, on motion of Commissioner Blake, seconded by Commissioner Brown and unanimously carried, the Commission agreed to forward a letter to the Board of Supervisors expressing their concerns about the Sudan/Darfur genocide and requesting that the Commission be authorized to mail informational correspondence to all insurance companies doing business in the County regarding the dynamics of a targeted divestment.

Deputy Katona agreed to forward staff hyperlink references regarding Sudan/Darfur divestments for distribution to Commissioners. [ Information received and distributed.] She advised that Supervisor Burke's motion was unanimously carried by the LACERA's Board of Investments to identify any Sudan/Darfur investments and consider a targeted divestment strategy.

#### **DISCUSSION ON INSURANCE COVERAGE PROVIDED TO PROFESSIONAL ASSOCIATIONS BY LARGE MEDICAL CARRIERS**

Following discussion, the Commission agreed to schedule presenters on the subject at a future meeting.

#### **DISCUSSION OF SUB-COMMITTEES CREATED BY THE COMMISSION AND COMMISSIONER'S INTEREST IN BEING APPOINTED**

The Commission reviewed the listing of all Sub-Committees created by the Commission and agreed to membership changes.

#### **DISCUSSION OF STATE LEGISLATION ON HEALTH CARE ISSUES**

Following discussion, the Commission agreed to join the CAO in tracking the proposed health care bills by Nunez, Kuehl and Parada.

**DISCUSSION ON WHETHER ANY INSURANCE COMPANIES IN CALIFORNIA ARE CONDUCTING BUSINESS WITH SUDAN/DARFUR, AND IF SO, CAN THE COMMISSION ON INSURANCE OBTAIN A LIST OF THESE AGENCIES**

Discussion ensued. The Commission made reference to Board of Supervisor's letter to LACERA dated February 15, 2007, regarding this issue; and a LACERA response dated April 20, 2007 (copies on file).

**PUBLIC COMMENT**

Eddie C. Martinez, Public Relations, State Farm Insurance Co., addressed the Commission and reported that he sells insurance coverage in underserved areas. Mr. Martinez expressed interest in working with the Commission and extended his services and support.

**MATTERS NOT POSTED ON THE AGENDA**

Commissioner Lohr requested that the Commission agendaize discussion of insurance coverage provided to the underserved areas of Los Angeles County.

Commissioner Binder reiterated his request to invite professional association representatives to discuss insurance coverage provided by large medical carriers, for research and informational purposes.

Commissioner Callagy requested that the Commission agendaize the Commission's proposed Sacramento visit for research and data gathering, and that the Commission request approval by the Board of Supervisors.

**ADJOURNMENT**

There being no further business and without objection, the meeting was adjourned at 12:13 p.m.

**ATTENDANCE**

**Staff**

Lee Millen, Senior Staff, Board of Supervisors  
Gabriel Alexander, Staff, Board of Supervisors

**Guests**

Karly Katona, Deputy, Supervisor Burke's Office  
Eddie C. Martinez, State Farm Insurance  
Mary Callagy